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IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF OREGON

**STATE OF OREGON**, ex rel **HARDY MYERS**, Attorney General for the State of Oregon,

**PLAINTIFF,**

v.

**PORTLAND GENERAL ELECTRIC COMPANY,**

**DEFENDANT.**

Civil No. 02-3002-HU

**NOTICE OF REMOVAL  
PURSUANT TO 16 U.S.C. § 825p and  
28 U.S.C. §§ 1331, 1367, 1441, and  
1446**

**By Defendant Portland General  
Electric Company**

TO THE CLERK OF THE ABOVE-ENTITLED COURT:

PLEASE TAKE NOTICE that defendant Portland General Electric Company ("PGE") hereby removes this action pursuant to 28 U.S.C. § 1441 from the Circuit Court of the State of Oregon for Multnomah County to the United States District Court for the District of Oregon.

1. Defendant PGE is a party in a civil action brought against it in the Circuit Court of the State of Oregon for Multnomah County entitled *State Of Oregon, ex rel. Hardy Myers, Attorney General for the State of Oregon v. Portland General Electric Company*, Case

# 170580

1

No. 0312-13473. Copies of the initial pleadings are attached to this Notice as Exhibit A and constitute all process, pleadings and orders in this action to the present date to the best of defendant's knowledge.

2. The state court action was commenced when plaintiffs filed a Motion for Order to Show Cause for Failure to Obey Civil Investigative Demand and Investigative Subpoena (ORS 646.626; ORS 166.730) and the Affidavit of Caren Rovics in Support of the Motion on December 16, 2003. An Order to Show Cause was entered by the Multnomah County Circuit Court at *ex parte* on December 16, 2003, setting the matter for hearing on January 9, 2003.

3. Plaintiff served PGE by hand delivering copies of the moving papers to PGE's counsel at the *ex parte* hearing session on December 16, 2003. This Notice of Removal is filed within 30 days of PGE's counsel's receipt of the plaintiff's initial pleadings in this matter, as provided in 28 U.S.C. § 1446(b).

4. This is a civil action in which plaintiff's claims arise under federal law. Jurisdiction lies in this Court under 16 U.S.C. § 825p and 28 U.S.C. § 1331 and 1367. This action may be removed by defendant under 28 U.S.C. §§ 1441 and 1446.

5. Under the Federal Power Act ("FPA"), 16 U.S.C. §§ 824 *et seq.*, issues concerning the lawfulness of wholesale electric sales and trading activities arise under federal law. The FPA grants the Federal Energy Regulation Commission ("FERC") jurisdiction over every "sale of electric energy at wholesale in interstate commerce." 16 U.S.C. § 824(b)(1). The FPA grants to the "District Courts of the United States \* \* \* exclusive jurisdiction \* \* \* of all suits in equity and actions at law brought to enforce any liability or duty created by, or to enjoin any violation of, this chapter or any rule, regulation, or order thereunder." 16 U.S.C. § 825p.

6. Plaintiffs' Motion seeks to enforce a Civil Investigative Demand ("CID") and an Investigative Subpoena, purportedly issued under state law, ORS 646.618 and 166.730. The CID and the Investigative Subpoena seek information and documents concerning interstate

wholesale electricity trading by PGE and, particularly, matters that were the subject of an investigation at the FERC in FERC Docket No. EL02-114-006, concerning PGE's trading activities with Enron Power Marketing, Inc. ("EPMI"), including allegations that PGE violated its Code of Conduct, its market-based rate tariff, and/or FERC standards of conduct relating to the posting of transactions with an affiliate, by allegedly participating in improper transactions with EPMI ("the EPMI docket").

7. The interrogatories in the CID and the Investigative Subpoena seek information regarding: electricity trading (Int. No. 1), scheduling electricity (Int. No.2 ), real time transactions during the "17-days of transactions" (Int. No.3),<sup>1</sup> transmission scheduling for the "17-days of transactions" (Int. No. 4), a meeting where specific trading strategies and transactions were discussed (Int. No. 5), the decision to accept such transactions (Int. Nos. 6-7), the use of a particular account in scheduling such transactions which was identified in transcripts produced in the EPMI docket (Int. Nos. 8-9), a "Power Transactions" memorandum (Int. Nos. 10-12), certain employees and former employees of PGE allegedly involved in the transactions (Int. Nos. 13-15), PGE's wholesale revenues from energy trades with EPMI and marketers other than EPMI (Int. Nos. 16-17), record retention for emails and trader and transmission telephone calls (Int. Nos. 18-21), and posting of affiliate transactions, including the "17 days of transactions" (Int. Nos. 22-26).

8. The document requests in the CID and the Investigative Subpoena seek all documents related to the EPMI docket, including all documents subject to the protective order in the FERC proceeding and all testimony submitted in that proceeding (Req. Nos. 1-2). The requests also seek all documents: regarding posting of transactions between PGE and EPMI (Req. No. 3), identified in response to certain interrogatories (Req. Nos. 4-10), regarding agreements with and records of trades with power marketing affiliates, including EPMI (Req.

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<sup>1</sup> The "17 days of transactions" refers to certain trading activities on 17 separate days in the period from April 6, 2000 to June 6, 2000 that were disclosed by PGE in response to a data request by FERC in May 2002.

Nos. 11, 13-15), referring the meeting where specific trading strategies and transactions were discussed (Req. No. 12), relating to real time energy trading calls on certain dates in 2000 and 2001 (Req. No. 16), of emails between certain individuals for a three-year period from January 1, 1999 to December 31, 2001 (Req. Nos. 17-27), of cell phone records for a particular employee for the three-year period from January 1, 1999 to December 31, 2001 (Req. No. 28), identified by traders in certain call transcripts (Req. Nos. 29-32), relating to information sharing between PGE Merchants and PGE Trading (Req. No. 33), and the "PGE General Transmission Agreement" with BPA (Req. No. 34).

9. Plaintiff's Motion and Affidavit demonstrate that plaintiff seeks to investigate matters concerning defendant PGE's alleged failure to comply with certain requirements of law. Although plaintiff does not state expressly the source of those "requirements," in fact, the requirements on PGE arise under its market-based rate tariff filed with and approved by the FERC and under the FERC's standards of conduct relating to the posting of transactions with an affiliate. Plaintiff cannot avoid the federal nature of its claims by failing to expressly plead an essential element of its claimed violation – that PGE allegedly violated its FERC approved tariff and FERC guidelines.

10. The tariffs allegedly violated were filed with the FERC and govern transactions in markets operated by the California Independent System Operator ("Cal ISO") and the California Power Exchange ("Cal PX"). The FERC tariffs and guidelines are "rule[s], regulation[s], practices, or conduct affecting" transactions subject to FERC jurisdiction under the FPA. 16 U.S.C. § 824e(a); *In Re California Wholesale Electricity Antitrust Litigation*, 244 F. Supp. 2d 1072, 1075 (S.D. Cal. 2003) (ISO and PX filed tariffs with FERC and "[t]hese tariffs comprised the rules for trading in the California wholesale energy markets."). Hence, the claims herein arise under the FPA, 16 U.S.C. §§ 824 *et seq.*, and thus arise under federal law and may be removed to this Court under 16 U.S.C. § 825p and 28 U.S.C. §§ 1331 and 1441(b).

11. Even if the Motion did not on its face state federal claims, it seeks relief "partially predicated on a subject matter committed exclusively to federal jurisdiction" and removal is proper on that ground. *Sparta Surgical Corp. v. Nat'l Ass'n of Securities Dealers, Inc.*, 159 F.3d 1209, 1213 (9th Cir. 1998) ("*Sparta*"). Recognizing *Sparta* as controlling, two California district courts have denied remand of purported "state law" claims based on the exclusive jurisdiction provision of the Federal Power Act, 16 U.S.C. § 825p. *California ex rel Lockyer v. Mirant Corp.*, 266 F. Supp. 2d 1046, 1057-60 (N.D. Cal. 2003); *T&E Pastorino Nursery v. Duke Ener. Trading & Mktg., L.L.C.*, 268 F. Supp.2d 1240 (S.D. Cal. 2003).

12. Plaintiffs' causes of action are also removable under the "artful pleading" doctrine described in *ARCO Environmental Remediation, L.L.C. v. Dep't of Health & Environmental Quality*, 213 F.3d 1108, 1114 (9th Cir. 2000). First, the claims to enforce the CID and the Investigative Subpoena are "necessarily federal" because they seek information and documents regarding matters committed exclusively to the FERC under the FPA, and over which the District Courts of the United States have exclusive jurisdiction. *Id.*; *Brennan v. Southwest Airlines Co.*, 134 F.3d 1405, 1409 (9th Cir. 1998). Second, the claims "depend[ ] on the resolution of \* \* \* substantial, disputed federal question[s]," namely whether the settlement of the EPMI docket as against PGE precludes plaintiff's investigation and whether the FPA itself preempts or precludes plaintiff's attempt to obtain documents and information concerning a subject matter that is committed to the exclusive regulatory jurisdiction of the FERC and the exclusive judicial jurisdiction of the United States District Courts. *ARCO*, 213 F.3d at 1114. Accordingly, removal is proper under 16 U.S.C. § 825p and 28 U.S.C. §§ 1331 and 1441(b).

13. Plaintiff's claims are also removable here because the subject matter of interstate wholesale electricity trading that plaintiff seeks to investigate is completely preempted by the FPA as it relates to the documents and information sought by plaintiff and because there is a remedy available at the FERC and in the United States District Court to seek the regulation of wholesale trading activities such as those at issue here. In fact, plaintiff, on behalf of the Oregon

Public Utility Commission participated in the EPMI docket and participated in the settlement of the allegations in that docket in exchange for a payment by PGE on behalf of its Oregon ratepayers. Thus, because the FPA completely preempts plaintiff's attempt to investigate and regulate PGE's interstate wholesale electricity trading activities and because the FPA provides for a displacing remedy, plaintiff's action arises (if at all) under the FPA, 16 U.S.C. §§ 824 *et seq.*, and thus arises under federal law and may be removed to this Court under 16 U.S.C. § 825p and 28 U.S.C. §§ 1331 and 1441(b).

14. To the extent any issues of state law need to be resolved, jurisdiction over such issues or claims is proper here under 28 U.S.C. § 1367.

15. Venue in this Court is proper under 28 U.S.C. § 1446(a).


16. This Notice is signed pursuant to Fed. R. Civ. P. 11.

17. Defendant PGE, through its undersigned counsel, hereby notices the removal of the above-entitled action now pending in the Circuit Court of the State of Oregon for Multnomah County to the United States District Court for the District of Oregon.

DATED this 8th day of January, 2004.

TONKON TORP LLP

By

  
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Of Attorneys for Plaintiff  
Portland General Electric Company

Certified to be a true and correct copy  
of the original and of the whole thereof

*Cheryl Jones*  
Assistant Attorney General  
of Attorneys for Plaintiff

IN THE CIRCUIT COURT OF THE STATE OF OREGON  
FOR MULTNOMAH COUNTY

STATE OF OREGON, ex rel HARDY MYERS,  
Attorney General for the State of Oregon,

Plaintiff,

v.

PORTLAND GENERAL ELECTRIC  
COMPANY,  
Defendant.

Case No. **0312-13473**

MOTION FOR ORDER TO SHOW CAUSE  
FOR FAILURE TO OBEY CIVIL  
INVESTIGATIVE DEMAND AND  
INVESTIGATIVE SUBPOENA  
[ORS 646.626; ORS 166.730]

Plaintiff State of Oregon moves the court for an order requiring defendant to appear and  
show cause why defendant should not be compelled to comply with the Civil Investigative  
Demand and Investigative Subpoena and for such other relief as the court deems just and proper.  
In support of this motion, plaintiff states:

1.

Plaintiff Hardy Myers is the Attorney General of Oregon. This proceeding is brought  
pursuant to ORS 646.626 and ORS 166.730.

2.

Defendant is a corporation that trades in wholesale power Western Electricity Market and  
did so during the period January 1, 1999 through December 31, 2001.

///

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1 - MOTION FOR ORDER TO SHOW CAUSE FOR FAILURE TO OBEY CIVIL  
INVESTIGATIVE DEMAND AND INVESTIGATIVE SUBPOENA (ORS 646.626; ORS  
166.730)

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Exhibit A - Page 1 of 45  
Notice of Removal

Department of Justice  
1162 Court Street NE  
Salem, OR 97301-4096  
(503) 947-4333

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3.

On or about November 7, 2003, Plaintiff executed and caused to be served upon Defendant a Civil Investigative Demand (CID) and Investigative Demand pursuant to ORS 646.618 and 646.622, and ORS 166.730 in connection with an investigation into alleged unlawful trade practices and violations of the Oregon Racketeer Influenced and Corruption Act as more fully explained in the attached Affidavit of Caren Rovics, Oregon Department of Justice. A full, true, and correct copy of the CID and Investigative Subpoena, with an Affidavit of Service is attached hereto and by reference incorporated herein as Exhibits 1 and 2.

4.

Defendant has failed or refused to obey the above-mentioned Civil Investigative Demand (CID) and Investigative Subpoena

5.

Relief Sought

Plaintiff requests an order as follows:

(a) Compelling defendant PGE to comply with the requirements of the CID and the Investigative Subpoena and answer interrogatories and provide the documents described.

(b) Requiring that the defendant remain subject to the continuing jurisdiction and control of this Court until the defendants have fully complied with all the requirements of the CID and Investigative Subpoena.

(c) Requiring that the defendant remain subject to the continuing jurisdiction and control of this Court for the purpose of ensuring defendant PGE compliance with all future lawful investigative demands of the Attorney General.

26<sup>th</sup> 2 - MOTION FOR ORDER TO SHOW CAUSE FOR FAILURE TO OBEY CIVIL  
INVESTIGATIVE DEMAND AND INVESTIGATIVE SUBPOENA (ORS 646.626; ORS  
166.730)

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1162 Court Street NE  
Salem, OR 97301-4096  
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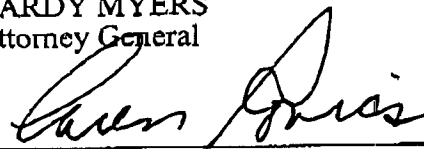


(d) For such other and further Relief as this Court deems proper under the  
1 circumstances.  
2  
3  
4

5 DATED this 15 day of December, 2003.

6 Respectfully submitted,

7 HARDY MYERS  
8 Attorney General

9 

10 Caren Rovics #90149  
11 Assistant Attorney General  
12 Of Attorneys for Plaintiff  
13 Department of Justice  
14 1162 Court Street  
15 Salem, OR 97310  
16 Telephone: (503) 378-4732  
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26<sup>ge</sup> 3 - MOTION FOR ORDER TO SHOW CAUSE FOR FAILURE TO OBEY CIVIL  
INVESTIGATIVE DEMAND AND INVESTIGATIVE SUBPOENA (ORS 646.626; ORS  
166.730)

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Exhibit A - Page 3 of 49  
Notice of Removal

Department of Justice  
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Salem, OR 97301-4096  
(503) 947-4333

IN THE CIRCUIT COURT OF THE STATE OF OREGON  
FOR MULTNOMAH COUNTY

STATE OF OREGON, ex rel HARDY MYERS,  
Attorney General for the State of Oregon,

Plaintiff,

v.

PORTLAND GENERAL ELECTRIC,

Defendant.

Case No.

**0312-13473**

AFFIDAVIT OF CAREN ROVICS IN  
SUPPORT OF MOTION FOR ORDER TO  
SHOW CAUSE TO COMPEL COMPLIANCE  
WITH CIVIL INVESTIGATIVE DEMAND  
AND INVESTIGATIVE SUBPOENA  
(ORS 646.618; ORS 166.730)

STATE OF OREGON            )  
                                  ) ss.  
County of Multnomah        )

I, Caren Rovics, being first duly sworn, depose and state:

1. I am an Assistant Attorney General employed by the Oregon Department of Justice (DOJ) and assigned to the Financial Fraud and Consumer Protection Section of the Civil Enforcement Division.

2. In the course of my official duties I have been assigned to review the activities of Portland General Electric. (PGE)

3. PGE is Oregon's largest utility, serving more than 730,000 customers in Portland, Salem and nearby communities.

4. During the period January 1, 1999 through December 31, 2001, PGE bought, sold and exchanged electricity in the wholesale Western Energy Market.

Page 1 - AFFIDAVIT OF CAREN ROVICS IN SUPPORT OF MOTION FOR ORDER  
TO SHOW CAUSE TO COMPEL COMPLIANCE WITH CIVIL INVESTIGATIVE  
DEMAND AND INVESTIGATIVE SUBPOENA  
(ORS 646.618; ORS 166.730)

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Department of Justice  
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Salem, OR 97301-4096  
(503) 947-4333

1           5.       During the period January 1, 1999 through December 31, 2001 PGE was a wholly  
2 owned subsidiary of Enron Corporation. (Enron)

3           6.       During the period January 1, 1999 through December 31, 2001 Enron, through its  
4 wholly owned subsidiary Enron Power Marketing, Inc. (Enron Power) traded electricity in the  
5 wholesale Western Energy Market.

6           7.       Because of its affiliate relationship with Enron Power, PGE was required to post  
7 all transactions with Enron Power on its Internet web page.

8           8.       During January 1, 1999 and December 31, 2001 Enron Power engaged in energy  
9 trading practices that included improper use of market power, market manipulation and  
10 misrepresentations concerning its power trading services, among other trading services.

11           9.       One or more of these trading practices required Enron Power to secure the  
12 participation of a counterparty. One of those of those counterparties was PGE.

13           10.      Public documents obtained by DOJ indicate that on at least 17 days in the Spring  
14 of 2000 transactions involving PGE and Enron Power implicated the use of the "Death Star"  
15 scheme. PGE was a counterparty in these transactions.

16           11.      "Death Star" refers to a scheme employed by Enron to collect congestion relief  
17 payments from the California Independent System Operator (CAISO) by circumventing  
18 CAISO's prohibitions against scheduling power flow reversals and without actually relieving  
19 congestion. In the scheme Enron Power would schedule a flow of power northbound from  
20 California to Oregon with CAISO. Enron Power then used PGE in the north as a hub to wheel  
21 the flow in a wide loop southbound back to California over power lines outside CAISO's control  
22 area to make it appear as if the power was generated outside California. PGE knew that power  
23  
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26       Page 2 -   AFFIDAVIT OF CAREN ROVICS IN SUPPORT OF MOTION FOR ORDER  
                  TO SHOW CAUSE TO COMPEL COMPLIANCE WITH CIVIL INVESTIGATIVE  
                  DEMAND AND INVESTIGATIVE SUBPOENA  
                  (ORS 646.618; ORS 166.730)

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1 had to be delivered (consumed) north of the California border before power could be imported  
2 back to California. Therefore, to avoid what PGE refers to a "complicated and confusing"  
3 affiliate posting, PGE devised a scheme in which Enron would sell the northbound power to a  
4 third party, Avista. PGE then bought the power from Avista and next, using PGE's transmission  
5 rights through Oregon, PGE wheeled the power back to Enron to make it appear that the power  
6 flowing south was generated by PGE. However, no additional power was generated or  
7 consumed, no additional power flowed, and no congestion was relieved.

8  
9 12. By employing the "Death Star" scheme Enron Power was paid by the CAISO for  
10 relieving congestion that never existed.

11 13. Enron Power paid PGE for PGE's services to Enron Power in "Death Star"  
12 transactions.

13 14. Public documents obtained by DOJ indicate that during January 1, 1999 through  
14 December 31, 2001 a total of 1,979 sales and purchases occurred between PGE and Enron  
15 Power. Of those, only 689 -- roughly one-third -- were properly posted on the PGE Internet web  
16 page.

17  
18 15. The postings on the PGE's Internet web page were available to anyone with  
19 Internet access.

20 16. One purpose of the postings was the ensure that the public would be informed of  
21 transactions between Enron Power and its affiliate PGE.

22 17. PGE's participation in the "Death Star" scheme and its failure to post affiliate  
23 transactions with Enron Power on its Internet web page as required by law appear to violate  
24

25  
26 Page 3 - AFFIDAVIT OF CAREN ROVICS IN SUPPORT OF MOTION FOR ORDER  
TO SHOW CAUSE TO COMPEL COMPLIANCE WITH CIVIL INVESTIGATIVE  
DEMAND AND INVESTIGATIVE SUBPOENA  
(ORS 646.618; ORS 166.730)  
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1 provisions of the Unlawful Trade Practices Act<sup>1</sup> and Oregon's Racketeer Influenced and  
2 Corruption Act.<sup>2</sup>

3 18. On November 7, 2003 DOJ caused to be served upon PGE a Civil Investigative  
4 Demand (CID), issued under ORS 646.618 for documentary material or physical evidence  
5 relevant to alleged violations of the Unlawful Trade Practices Act (UTPA. A copy of the CID  
6 with proof of personal service is attached as Exhibit 1

7 19. On November 7, 2003 DOJ caused to be served upon PGE an Investigative  
8 Subpoena issued under ORS 166.730(1) a provision of the Oregon Racketeer Influenced and  
9 Corruption Act that allows for the issuance of a subpoena for "documents or other material." A  
10 copy of the Investigative Subpoena, with proof of personal service, is attached as Exhibit 2.

12 20. The CID and Investigative Subpoena seek information relating to PGE's trading  
13 transactions in the Western Energy Market and posting of affiliate transactions on the PGE's  
14 Internet web page covering the period January 1, 1999 through December 31, 2001.

15 21. On November 26, 2003, PGE filed a Complaint for Declaratory Relief  
16 (Complaint) (28 U.S.C. Section 2201) in the United States District Court for the District of  
17 Oregon citing service upon PGE of the CID and Investigative Subpoena as ground of its  
18 Complaint.

20 22. The CID and Investigative Subpoena required PGE to respond to the  
21 interrogatories and produce documents on or before December 1, 2003 to the Oregon  
22 Department of Justice, Civil Enforcement Division, 1162 Court Street, NE, Salem, OR 97301.

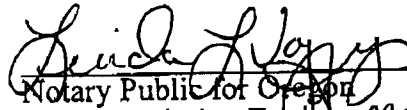
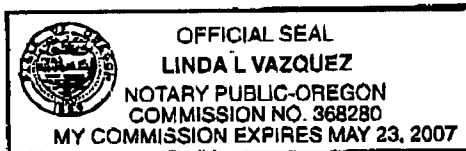
24 <sup>1</sup> ORS 646.605-646.691

23. To date PGE has failed to respond to the CID and Investigative Subpoena and did not appear on or before December 1, 2003 to answer the interrogatories or produce documents as required by the CID and Investigative Subpoena.



Caren Rovics  
Assistant Attorney General  
Oregon Department of Justice

SUBSCRIBED AND SWORN TO before me this 15<sup>th</sup> day of December, 2003.



Notary Public for Oregon  
My Commission Expires May 23, 2007

<sup>2</sup> ORS 166.715-166.735

Page 5 - AFFIDAVIT OF CAREN ROVICS IN SUPPORT OF MOTION FOR ORDER  
TO SHOW CAUSE TO COMPEL COMPLIANCE WITH CIVIL INVESTIGATIVE  
DEMAND AND INVESTIGATIVE SUBPOENA  
(ORS 646.618; ORS 166.730)

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of the original

## DEPARTMENT OF JUSTICE

## STATE OF OREGON

IN THE MATTER OF:

PORTLAND GENERAL ELECTRIC  
COMPANYINVESTIGATIVE DEMAND  
(646.618)  
UNLAWFUL TRADE PRACTICESTO: Portland General Electric Company  
C/o David A. Aamodt, Registered Agent  
121 SW Salmon Street, Ste. 1300  
Portland, OR 97204

## GREETINGS:

The Oregon Department of Justice has reason to believe that Portland General Electric Company (PGE), and other persons or enterprises, has engaged in or is engaging in, acts or practices declared to be unlawful by the Oregon Unlawful Trades Practices Act, ORS 646.605 et. Seq. This Civil Investigative Demand is issued pursuant to the provisions of ORS 646.618(1).

**Response to Interrogatories and Document Production Required**

On or before December 1, 2003, you are required by law to respond to the interrogatories and document production described herein. Please provide the requested information to: Oregon Department of Justice, Civil Enforcement Division, 1162 Court Street NE, Salem, OR 97301, Attn: Caren Rovics, Assistant Attorney General. Or you may email your response and documents to [caren.rovics@doj.state.or](mailto:caren.rovics@doj.state.or).

## DEFINITIONS

"AND" and "OR" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of the request all responses that might otherwise be construed to be outside the scope.

Page 1 - CIVIL INVESTIGATIVE DEMAND(ORS 646.618)  
UNLAWFUL TRADE PRACTICES

Exhibit A - Page 9 of 49  
Notice of Removal

DEPARTMENT OF JUSTICE  
1162 Court St. NE  
Salem, OR 97310  
Phone: (503) 378-4732

Exhibit 1 Page 1

1        "ANY" shall be construed as synonymous with every and shall be all inclusive.

2        "ALL E-MAILS" means e-mails addressed to, and copied to, a recipient.

3        "BONNEVILLE POWER ADMINISTRATION" (BPA) is the federal agency, under  
4 the U.S. Department of Energy, that markets wholesale electrical power and operates and  
5 markets transmission services in the Pacific Northwest.

6        "CONTROL AREA OPERATION" (Transmission Scheduler) means PGE employee  
7 scheduling energy on the Western Energy Market during January 1, 1999 and December 31,  
8 2001.

9        "DEATH STAR TRANSACTION" means submission of energy transactions by PGE  
10 submission by PGE Energy Traders and Transmission Schedules implementing transactions on  
11 the AC Intertie between the California-Oregon Boarder (COB) and John Day, involving a buy-  
12 resell transaction between PGE and EMPI and using Avista Utilities (Washington Water Power  
13 or WWP as a sleeve.)

14        FEDERAL ENERGY REGULATORY COMMISSION DOCKET NO. EL02-114-000  
15 (FERC) means *In the Matter of Portland General Electric Company, Enron Power Marketing,*  
16 *Inc.*

17        FEDERAL ENERGY REGULATORY COMMISSION DOCKET NO. PA02-2-000  
18 (FERC) means *FERC Factfinding Investigation Docket No. PA02-2-000.*

19        IDENTIFY means to provide a statement of:

20        a. in the case of a person other than a natural person, its name, the address (including ZIP  
21 code) of its principal place of business, its telephone number, and the name of its chief  
22 executive officer;

23        b. in the case of a natural person, his or her name, business and address (including ZIP  
24 code) and business telephone number, employer, and title or position;



c. In the case of a document, the title of the document, the author, the title or position of the addressee, the type of document, the date it was prepared, the number of pages it contains, and, if applicable, its production number.

"LEBOEUF LAMB GREENE & MACRAE, LLP" (LEBOEUF) refers to an August 2, 1999 memorandum by John Maas, and produced by PGE in FERC Docket No. PA02-2-000.

MARKETER (S) includes the company or corporate entity that engages in the marketing of electricity in the wholesale market, its parent company, subsidiaries and affiliates, and its officers, directors, employees, agents, vendors, consultants, representatives or other persons acting on its behalf.

OWNER (S) OF ELECTRICITY GENERATION includes the company or corporate entity that owns the generating unit(s), its parent company, subsidiaries and affiliates, and its officers, directors, employees, agents, vendors, consultants, representatives or other persons acting on its behalf.

POWER MARKETING AFFILLIATE has the same meaning as used in section 4.2 of PGE's Market Based Rate Tariff.

"POWER OPERATIONS-REAL TIME" (Energy Trader) means PGE employees who purchased and sold energy in the real-time Western Electricity Market during January 1, 1999 and December 31, 2001.

"POWNOW" refers to "Week in Review" reports from Bill Casey.

PUBLIC UTILITY means a municipal utility, public utility district or a cooperative.

PURCHASER (S) means the public utility or private, government or corporate entity in the State of Oregon that purchases electricity in the wholesale market, its parent company, subsidiaries and affiliates, and its officers, directors, employees, agents, vendors, consultants, representatives or other persons acting on its behalf.

RELATING and RELATE mean a reference to any given subject that constitutes, contains, embodies, reflects, identifies, states, refers to, or is in any way relevant to that given subject.

1 RELEVANT TIME PERIOD is January 1, 1999 to December 31, 2001.

2 SEVENTEEN (17) DAYS OF TRANSACTIONS refers to the following dates:

3 April 6, 2000, April 15, 2000, April 16, 2000, April 23, 2000, April 26/2000, May 1, 2000,  
4 May 2, 2000, May 3, 2000, May 4, 2000, May 5, 2000, May 9, 2000, May 10, 2000, May 11,  
5 2000, May 12, 2000, May 15, 2000, May 32, 2000, and June 6, 2000.

6 TRADER (S) means the company or corporate entity that trades electricity in the wholesale  
7 market, its parent, subsidiaries and affiliates and its officers, directors, employees, agents, vendors,  
8 consultants, representatives or other persons acting on its behalf.

9 "TRANSCRIPT OF SCHEDULER TELEPHONE CONVERSATIONS" means the  
10 transcripts of PGE Energy Traders produced to the Federal Energy Regulatory Commission  
11 (FERC) in Docket Nos. EL02-114-00 and PA02-2-000.

12 "WESTERN ELECTRICITY MARKET" means the market operating in the U.S. portion  
13 of the Western Electricity coordinating Council (WECC) aka the Western Systems coordinating  
14 Council (WSCC).

15 "YOU," "YOUR," and "YOUR COMPANY" means Portland General Electric Company  
16 and its divisions, units, subsidiaries whether or not wholly owned, any merged, consolidated or  
17 acquired predecessors and the present and former officers, directors, agents, representatives or  
18 employees of any of the foregoing.

19 The singular includes the plural, and the plural includes the singular.

### INSTRUCTIONS

1  
2 1. The relevant time period for which documents and information are requested is  
3 January 1,1999 to December 31, 2001.

4 2. In each instance in which a document is produced in response to a request, the current  
5 edition should be produced together with all earlier editions, or predecessor documents serving  
6 the same function during the relevant time period, even though the title of earlier documents  
7 may differ from current versions.

8 3. The document request calls for all described documents in your possession, custody  
9 or control without regard to the person or persons by whom or for whom the documents were  
10 prepared (e.g., your company employees, distributors or dealers, competitors, or others).

11 4. Counsel for your company and the State of Oregon may enter into an agreement to  
12 modify the scope and timelines for production, or suspend the timelines for document  
13 production, under this investigative demand.

14 5. The following procedures shall apply to the production, inspection and copying of  
15 documents:

- 16 a. The producing parties shall produce original, complete documents. Documents  
17 shall be produced in the order that the documents are maintained in the  
18 producing party's files, in original folders, with the folder's original file tabs.  
19 The documents should be clipped, stapled or otherwise arranged or attached in  
20 the same form and manner as that in which they were maintained and stored. In  
21 lieu of producing original documents in their original folders, you and your  
22 company may produce duplicates of the originals if such duplicates are  
23 identical in all respects to the original and the duplicates are accompanied by a  
24 sworn statement from a representative of your company that the duplicates are  
25 identical copies of the originals and satisfy the test for admissibility under FRE  
26 1003.

- b. All attachments to responsive documents shall be produced as attachments to the responsive documents.
- c. Submit all non-privileged portions of any responsive document, noting where redactions in the document have been made. No portion of any documents will be masked and the entire document shall be produced.
- d. You and your company shall label each group of responses to the interrogatories and document requests in the following manner: Response to Interrogatory Number 1; Response to Interrogatory No. 2; Response to Document Request No. 1, etc., and attach the label to the corresponding documents or interrogatory responses.
- e. You and your company will provide a key to all abbreviations used in the documents produced pursuant to this investigative demand. The key will be attached to the appropriate documents.
- f. When your response requires identification of document(s) that exist and relate to an information request, such responses shall include a description of the general nature of the documents relating to the response.

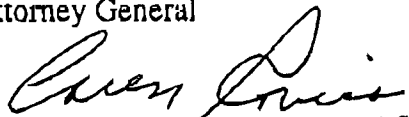
6. If you contend that the answer to any interrogatory or a response to any document request is privileged in whole or in part, or otherwise object to any interrogatory, document request, or parts thereof, please state the reasons for such objections or grounds for exclusion with respect to each part of the interrogatory or document request and identify each person having knowledge of the factual basis, if any, on which the privilege or other ground is asserted. If you contend that an interrogatory or document request is unclear or ambiguous, state the basis for such contention in detail. The purpose of this instruction is to facilitate judicial review of any refusal to answer the interrogatories or documents requests fully and completely.

1 7. The interrogatory responses shall be accompanied by a statement under oath of the  
2 person(s) providing the answers to the interrogatories stating the information contained in the  
3 responses to these interrogatories is true and correct to the best of his/her information and belief.  
4

5 **NOTICE:** Should you fail to produce the requested documents at the time and place  
6 required by this Investigative Demand, the Oregon Department of Justice will request a court  
7 order as soon thereafter as possible mandating your production pursuant to ORS 646.618  
8 (Unfair Trade Practices).

9  
10 DATED this 6 day of November, 2003.

11  
12 HARDY MYERS  
13 Attorney General

14   
15 Caren Rovics, OSB #90149  
16 Assistant Attorney General  
Financial Fraud/Consumer Protection Section

17 **REFER INQUIRIES TO:**

18 Caren Rovics, Assistant Attorney General  
19 Oregon Department of Justice, Financial Fraud/Consumer Protection Section  
1162 Court Street NE, Salem, OR 97301  
20 Phone: (503) 947-4333; Fax: (503) 378-5017  
21  
22  
23  
24  
25  
26

## 1 INVESTIGATIVE DEMAND

## 2 EXHIBIT A

3 INTERROGATORIES

4 You are required by law to answer and produce the following for the relevant period of January 1,  
5 1999 to December 31, 2001.

6 NOTE: Where applicable we would prefer to receive your responses in an electronic, searchable  
7 format.

8 --  
9 1. Identify all PGE employees who worked as "Power Operations-Real Time"  
10 (Energy Trader) involved in trading electricity, during the relevant period of time

11 ANSWER:  
12

13 2. Identify all PGE employees who worked in "Control Area Operations"  
14 (Transmission Scheduler), involved in scheduling electricity, during the relevant period of time.  
15

16 ANSWER:  
17

18  
19 3. Identify the PGE Energy Trader(s) who participated in real-time transaction(s)  
20 during the "17 days of transactions."

21 a. Indicate the date(s) that the identified Energy Trader participated in 17 days of  
22 transactions.  
23

24 ANSWER:  
25

1 4. Identify the PGE Transmission Schedulers who were involved in the scheduling  
2 of the "17 days of transactions."

3 a. State the date(s) that the identified Transmission Scheduler participated in a  
4 power transaction.

5 ANSWER:  
6  
7  
8

9 5. Identify all PGE employees, including managers, who knew of the meeting, or subject  
10 of the meeting, on or about March or April, 2000, of Bill Casey (Casey) and Diana Scholtes  
11 (Scholtes) in which Death Star transactions were discussed.

12 ANSWER:  
13  
14

15 6. Identify all PGE employees, including managers, who participated or had knowledge  
16 of the decision to accept the Scoltes' Death Star power transactions proposal, subject of the  
17 Case-Scholtes meeting in March or April 2000.

18 ANSWER:  
19  
20

21 7. Identify all PGE documents relating to the decision by PGE to agree to Death Star  
22 power transactions discussed in the Casey-Scholtes meeting on or about March or April, 2000.

23 ANSWER:  
24  
25  
26

1 8. Identify and explain "Account No. 740768" as used in the PGE "Transcripts of  
2 Scheduler Telephone Conversations" produced by PGE in FERC Docket No. EL02-114-000.

3 a) Explain why the "740468" was used for PGE Death Star power transactions  
4 involving Bonneville Power Administration (BPA) transmission during the "17 days of  
5 transactions."

6 ANSWER:  
7

8  
9 9. Identify all PGE documents that refer to power transactions in Account No. 740768  
10 for the period January 1, 1999 to December 31, 2001.

11 a) Identify the ID numbers of the PGE Energy Trader and Transmission Scheduler  
12 and corresponding names assigned to those ID numbers for all Account No. 74076 transactions.

13 ANSWER:  
14  
15  
16

17 10. Identify all PGE employees, including managers, who knew of the August 2, 1999  
18 "Power Transactions" memorandum from John Maas, LeBoeuf, Lamb, Greene & MacRae, LLP,  
19 (LeBoeuf) between August 2, 1999 and June 30, 2000.

20 ANSWER:  
21  
22

23 11. Identify all PGE employees, including managers, who participated or had knowledge  
24 of the decision to reject the "Power Transactions" explained in the August 2, 1999 LeBoeuf  
25 memorandum.  
26



1 ANSWER:

2  
3 12. Identify all documents related to PGE's decision for rejecting the "Power  
4 Transactions" explained in the August 2, 1999 LeBoeuf memorandum.

5 ANSWER:

6  
7 13. State the compensation/salary paid to the following PGE employees for the years  
8 1997, 1998, 1999, 2000 and 2001:

9  
10 a) Bill Casey;

11 b) Marilyn Huntsinger;

12 c) Mary Turina.

13 ANSWER:

14  
15 14. State the amount of bonus compensation paid to the following PGE employees  
16 for the years 1997, 1998, 1999, 2000 and 2001:

17  
18 a) Bill Casey;

19 b) Marilyn Huntsinger;

20 c) Mary Turina.

21 ANSWER:

22  
23  
24  
25 15. Identify all job position(s), job description(s) and time period(s) these former PGE  
26 employees held while employed by PGE.

1 a) Diana Scholtes;

2 b) Tim Belden;

3 c) John Forney.

4 ANSWER:

5  
6 16. State the dollar amount and percent of PGE wholesale revenues derived from  
7 energy trades with Enron Power Marketing, Inc. (EMPI) for the years 1998, 1999, 2000 and  
8 2001.  
9

10 ANSWER:

11 17. State the dollar amount and percent of PGE wholesale revenues derived from  
12 energy trades with energy Marketers, other than, EMPI for the years 1998, 1999, 2000 and 2001.

13 ANSWER:

14  
15 18. Identify all PGE employees, including managers, responsible for retention, archiving  
16 or purging of PGE electronic mail (e-mail) between January 1, 1999 and December 31, 2001.  
17

18 ANSWER:

19  
20 19. Identify all documents related to PGE e-mail retention policy/procedure between  
21 January 1, 1999 and December 31, 2001.

22 ANSWER:

1 20. Identify all PGE employees, including managers, responsible for recording or  
2 backing up PGE Energy Trader and Transmission Schedulers telephone lines, between January  
3 1, 1999 and December 31, 2001.

4 ANSWER:

5  
6 21. Identify all documents related to recording, back-up or recording over PGE  
7 Energy Trader and Transmission Schedulers telephone lines between January 1, 1999 and  
8 August 30, 2001.

9  
10 ANSWER:

11  
12 22. Identify all PGE employees, including managers, responsible for posting  
13 information on the Open Access Same-time Information System (OASIS) for "power marketing  
14 affiliate" transactions between January 1, 1999 and December 31, 2001.

15  
16 ANSWER:

17  
18 23. Identify documents relating to all PGE policies and procedures related to posting  
19 information on OASIS with a "power marketing affiliate" between January 1, 1999 and  
20 December 31, 2001.

21  
22 ANSWER:

23  
24 24. Identify PGE employees, including managers, who were responsible for conducting  
25 training related to posting information on OASIS for a "power marketing affiliate" transaction.

1 a) Identify all dates of training by PGE related to "power marketing affiliate"

2 transactions.

3 b) Identify all documents used in the training of PGE related to "power marketing

4 affiliate" transactions.

5 c) Identify all PGE employees, including managers, who attended any training

6 related to "power marketing affiliate" transactions and dates of attendance.

7 ANSWER:

8  
9  
10 25. Identify all PGE employees, including managers, responsible for posting with

11 OASIS "power marketing affiliate" transactions for the "17 days of transactions."

12 ANSWER:

13  
14 26. Identify all documents related to posting on OASIS "power marketing affiliate"

15 transactions for the "17 days of transactions."

16  
17  
18 ANSWER:

## INVESTIGATIVE DEMAND

## EXHIBIT B

DOCUMENTS TO BE PRODUCED

NOTE: Where applicable we would prefer to receive your responses in an electronic, searchable format.

1. Produce all documents disclosed by PGE related to Federal Energy Regulatory Commission (FERC) Docket No. EL02-114-00, (Docket No. EL02-114-000). Include documents, and portions of those documents, subject to Presiding Administrative Law Judge Jeffie J. Massey's Protective Order dated September 6, 2002.

a) Including, but not limited to, PGE Responses and Exhibits 1 through 44.

2. Produce the sworn testimony, obtained in FERC docket No. EL02-114-000, including portions subject to the FERC "Protective Order", for the following deponents:

a) Bill Casey

b) Mark Boesch

c) Joe Taylor

d) Terry Findley

e) Floyd Mullet

f) Bob Frost

g) Steve Sundet

h) Judy Madsen

3. Produce all documents of OASIS postings for all "power marketing affiliate" transactions with EMPI for the period January 1, 1999 to December 31, 2001.

4. Produce all documents identified in your response to interrogatory No. 7.

1 5. Produce all documents identified in your response to interrogatory No.9.

2 6. Produce all documents identified in your response to interrogatory No. 12.

3 7. Produce all documents identified in your response to interrogatory No. 21.

4 8. Produce all documents identified in your response to interrogatory No. 23.

5 9. Produce all documents identified in your response to interrogatory No. 24(b).

6 10. Produce all documents identified in your response to interrogatory No. 26.

7 11. Produce all documents, including e-mails and telephone records, related to PGE  
8 policy or procedure where PGE enters into an energy contract or energy agreement with a  
9 "power marketing affiliate."  
10

11 12. Produce all documents that refer to the Casey-Scholtes meeting at PGE in March or  
12 April of 2000 where the "Death Star" transactions were discussed.

13 13. Produce all Power Scheduling and Accounting System (PSAS) records for all real-  
14 time transactions for power and transmission where EPMI was a counterparty for the period  
15 January 1, 2000 to December 31, 2001.  
16

17 a) Produce all documents that identify the "user" according to their user ID  
18 number.

19 14. Produce all documents related to the conclusion by PGE in determining that 1,290  
20 postings on its web page for sales and purchases between PGE and EPMI were contrary to the  
21 PGE's Market Based Rate Tariff.

22 15. Produce OASIS postings for all "Death Star" energy transactions with EPMI for the "17  
23 days of transactions."

24 16. Produce all PGE Real-Time Energy Trader telephone calls related to the trading of  
25 power for the following dates:  
26

**2000**

a) January 2000: 1/10/2000 and 1/13/2000

b) February 2000: 2/7/2000, 2/8/2000 and 2/28/2000

c) March 2000: 3/6/2000

d) April 2000: 4/3/2000, 4/17/2000, 4/19/2000, 4/20/2000 and 4/24/2000

e) May 2000: 5/23/2000, 5/17/2000 and 5/23/2000

f) June 2000: 6/17/2000

g) July 2000: 7/19/2000

h) August 2000: 8/18/2000

i) September 2000: 9/5/2000, 9/6/2000, 9/8/2000, 9/9/2000, 9/11/2000, 9/12/2000,

9/14/2000, 9/23/2000, and 9/29/2000

j) November 2000: 11/13/2000, 11/16/2000, 11/18/2000, 11/23/2000, and 11/24/2000

k) December 2000: 12/30/2000

**2001**

l) January 2001: 1/7/2001 and 1/21/2001

m) March 2001: 3/31/2002

n) May 2001: 5/21/2001, 5/22/2001, 5/23/2001 and 5/24/2001

o) June 2001: 6/9/2001

17. Produce all e-mails from or to Bill Casey and Tim Belden for the period January 1, 1999 and December 31, 2001.

18. Produce all e-mails from or to Bill Casey and John Fomey for the period January 1, 1999 and December 31, 2001.

19. Produce all e-mails from or to Bill Casey and Diana Scholtes for the period January 1, 1999 and December 31, 2001.

20. Produce all e-mails from Bill Casey to "POWNOW" for the period January 1, 1999 to December 31, 2001.

- 1           21.     Produce all e-mails from or to Bill Casey and Marlene Huntsinger for the period  
2     January 1, 1999 to December 31, 2001.
- 3           22.     Produce all e-mails from or to Marlene Huntsinger and Tim Belden for the period  
4     January 1, 1999 and December 31, 2001.
- 5           23.     Produce all e-mails from or to Marlene Huntsinger and John Forney for the period  
6     January 1, 1999 and December 31, 2001.
- 7           24.     Produce all e-mails from or to Marlene Huntsinger and Diana Scholtes for the period  
8     January 1, 1999 and December 31, 2001.
- 9           25.     Produce all e-mails from or to Mary Turina and Tim Belden for the period January  
10    1, 1999 and December 31, 2001.
- 11          26.     Produce all e-mails from or to Mary Turina and John Forney for the period January  
12    1, 1999 and December 31, 2001.
- 13          27.     Produce all e-mails from or to Mary Turina and Diana Scholtes for the period  
14    January 1, 1999 and December 31, 2001.
- 15          28.     Produce all cell phone records for PGE-issued cell phone for Bill Casey for the  
16    period January 1, 1999 to December 31, 2001.
- 17                 a) Cell phone records should include all telephone numbers called.
- 18          29.     Produce all documents identified by PGE Energy Trader Mark Boesch in the April 26,  
19    2000 "Transcript of Scheduler Telephone Conversation," as "Memo Account."
- 20          30.     Produce all documents referred to by PGE Energy Trader Terry Finley in the May 4,  
21    2000 "Transcript of Scheduler Telephone Conversation," including but not limited to a "sheet" in a  
22    "3-ring binder" on how to do transactions with "these accounts."
- 23          31.     Produce the "Memo" referred to by PGE Energy Trader Mitch Hawks in the May 5,  
24    2000 "Transcript of Scheduler Telephone Conversation" produced in FERC Docket No. EL-02-  
25    114-000. Memo begins: "To Water Power when Enron calls and wants a buy-resell at Malin with  
26    WWP."

Page 18 - INVESTIGATIVE DEMAND (ORS 646.618)

UNLAWFUL TRADE PRACTICES

CR-07/CEDF2383

Department of Justice  
1162 Court Street NE  
Salem, OR 97301-4096  
(503) 947-4333

Exhibit A - Page 26 of 49  
Notice of Removal

18



32. Produce the "instructions" referenced by PGE Energy Trader Chris Hawkins or Chris Hartman in the May 12, 2000 "Transcript of Scheduler Telephone Conversation."

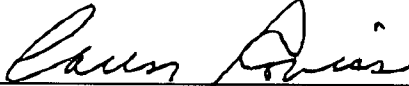
33. Produce documents relating to information sharing between PGE Merchants and PGE Power Transmission.

34. Produce the "PGE General Transmission Agreement" (IR) with BPA in effect during 2000 and 2001.

**NOTICE:** Should you fail to produce the information required by this Investigative Demand on or before the required date, the Oregon Department of Justice will request a court order as soon thereafter as possible mandating your response pursuant to ORS 646.618(2).

DATED this 6 day of November, 2003.

HARDY MYERS  
Attorney General

  
Caren Rovics, OSB #90149  
Assistant Attorney General  
Financial Fraud/Consumer Protection Section

**PLEASE REFER INQUIRIES TO:**

Caren Rovics  
Assistant Attorney General  
Oregon Department of Justice  
Financial Fraud/Consumer Protection Section  
1162 Court Street NE, Salem, OR 97301  
Phone: (503) 947-4333  
Fax: (503) 378-5017

## DEPARTMENT OF JUSTICE

## STATE OF OREGON

IN THE MATTER OF:

AFFIDAVIT OF SERVICE

THE PORTLAND GENERAL ELECTRIC  
COMPANY  
UNLAWFUL TRADE PRACTICES  
INVESTIGATION

STATE OF OREGON

County of Marion

} ss.

I certify that on the 7th day of November, 2003, at the hour of 09:30 hrs. I

served David A. Aamodt, Registered Agent, for Portland General Electric Co., with a true copy  
of the attached Civil Investigative Demand by:

☐ Personal Service (Personally and in Person)☒ Office Service (left with the person apparently in charge during normal working hours)

To: Portland General Electric Company, c/o David A. Aamodt, Registered Agent

At: 121 S.W. Salmon Street, Portland, OR 97204.

I am a competent person over the age of 18 years, a resident of said State, and am  
authorized as a non-attorney employee of the Oregon Department of Justice to serve this  
document pursuant to ORS 180.260.

Served by:

Address:

Telephone:

Robert J. Cullen

1162 Court St. NE

Salem, OR 97301

(503) 378-4732

Robert J. Cullen  
Signature of serverSUBSCRIBED AND SWORN to before me this 12<sup>th</sup> day of November, 2003.

OFFICIAL SEAL  
GAY M STENDER  
NOTARY PUBLIC-OREGON  
COMMISSION NO. 329667  
MY COMMISSION EXPIRES DEC. 08, 2003

Gay M. Stender  
Notary Public for Oregon (affix stamp)

Page 1 - IN THE MATTER OF PORTLAND GENERAL ELECTRIC COMPANY (UNLAWFUL  
TRADE PRACTICES INVESTIGATION)

Exhibit A - Page 28 of 49  
Notice of Removal

Department  
of Justice  
1162 Court Street NE  
Salem, OR 97301-4096  
(503) 947-4333

20

## OREGON DEPARTMENT OF JUSTICE

IN THE MATTER OF:

) INVESTIGATIVE SUBPOENA

PORTLAND GENERAL ELECTRIC  
COMPANY) Pursuant to the Oregon  
) Racketeer Influenced and  
) Corrupt Organization Act,  
) [ORICO] ORS 166.730  
)TO: Portland General Electric Company  
c/o David a. Aamodt, Registered Agent  
121 SW Salmon Street, Ste. 1300  
Portland, OR 97204

## GREETINGS:

The Oregon Department of Justice has reason to believe that Portland General Electric and other persons or enterprises, has engaged in or is engaging in, acts or practices declared to be unlawful under and the Oregon Racketeer Influenced and Corrupt Organizations Act, ORS 166.715 et. seq. This investigative subpoena is issued pursuant to ORS 166.730.

David A. Aamodt, is required by law to appear on December 1, 2003, at the hour of 10:00 am at the Oregon Department of Justice, Financial Fraud Section, Robertson Building 1<sup>st</sup> floor Conference Room A, 1215 State St. NE, Salem, Oregon, and to answer the interrogatories listed in Exhibit A and produce all records within your possession or control described in Exhibit B. Or you may email your response and documents to [caren.rovics@doj.state.or](mailto:caren.rovics@doj.state.or).

## DEFINITIONS

"AND" and "OR" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of the request all responses that might otherwise be construed to be outside the scope.

"ANY" shall be construed as synonymous with every and shall be all inclusive.

Page 1 - INVESTIGATIVE SUPOENA (ORS 166.730)

OREGON RACKETEER INFLUENCED AND CORRUPTION ACT

Exhibit A - Page 29 of 49  
Notice of RemovalDEPARTMENT OF JUSTICE  
1162 Court St. NE  
Salem, OR 97310  
Phone: (503) 947-4333

Exhibit 2 Page 1

1 "ALL E-MAILS" means e-mails addressed to and copied to a recipient.

2 "BONNEVILLE POWER ADMINISTRATION" (BPA) is the federal agency, under the

3 U.S. Department of Energy, that markets wholesale electrical power and operates and markets  
4 transmission services in the Pacific Northwest.

5 "CONTROL AREA OPERATION" (Transmission Scheduler) means PGE employee  
6 scheduling energy on the Western Energy Market during January 1, 1999 and December 31,  
7 2001.

8 "DEATH STAR TRANSACTION" means submission of energy transactions by PGE  
9 Energy Traders and Transmission Schedules implementing transactions on the AC Intertie  
10 between the California-Oregon Boarder (COB) and John Day, involving a buy-resell transaction  
11 between PGE and EMPI and using Avista Utilities (Washington Water Power or WWP as a  
12 sleeve.)

13 FEDERAL ENERGY REGULATORY COMMISSION DOCKET NO. EL02-114-000  
14 (FERC) means *In the Matter of Portland General Electric Company, Enron Power Marketing,*  
15 *Inc.*

16 FEDERAL ENERGY REGULATORY COMMISSION DOCKET NO. PA02-2-000  
17 (FERC) means *FERC Factfinding Investigation Docket No. PA02-2-000.*

18 IDENTIFY means to provide a statement of:

- 19 a. in the case of a person other than a natural person, its name, the address (including ZIP  
20 code) of its principal place of business, its telephone number, and the name of its chief  
21 executive officer;
- 22 b. in the case of a natural person, his or her name, business and address (including ZIP  
23 code) and business telephone number, employer, and title or position;
- 24 c. In the case of a document, the title of the document, the author, the title or position of  
25 the addressee, the type of document, the date it was prepared, the number of pages it  
26 contains, and, if applicable, its production number.

Page 2 – INVESTIGATIVE SUPOENA (ORS 166.730)

OREGON RACKETEER INFLUENCED AND CORRUPTION ACT

DEPARTMENT OF JUSTICE

1162 Court St. NE

Salem, OR 97310

Phone: (503) 947-4333

1 "LEBOEUF LAMB GREENE & MACRAE, LLP" (LEBOEUF) refers to an August 2,  
2 1999 memorandum by John Maas, and produced by PGE in FERC Docket No. PA02-2-000.

3 MARKETER (S) includes the company or corporate entity that engages in the marketing of  
4 electricity in the wholesale market, its parent company, subsidiaries and affiliates, and its officers,  
5 directors, employees, agents, vendors, consultants, representatives or other persons acting on its  
6 behalf.

7 OWNER(S) OF ELECTRICITY GENERATION includes the company or corporate entity  
8 that owns the generating unit(s), its parent company, subsidiaries and affiliates, and its officers,  
9 directors, employees, agents, vendors, consultants, representatives or other persons acting on its  
10 behalf.

11 "POWER MARKETING AFFILLIATE" has the same meaning as section 4.2 of PGE's  
12 Market Based Rate Tariff.

13 "POWER OPERATIONS-REAL TIME" (Energy Trader) means PGE employees who  
14 purchased and sold energy in the real-time Western Electricity Market during January 1, 1999 and  
15 December 31, 2001.

16 "POWER SCHEDULING AND ACCOUNTING SYSTEM" (PSAS) is a tool set used by  
17 the Energy and Transmission Schedulers, Generation Coordinators, Power Accountants and  
18 Management responsible for scheduled and operating PGE's energy and transmission assets.

19 "POWNOW" refers to "Week in Review" reports from Bill Casey.

20 PUBLIC UTILITY means a municipal utility, public utility district or a cooperative.

21 PURCHASER (S) means the public utility or private, government or corporate entity in the  
22 State of Oregon that purchases electricity in the wholesale market, its parent company, subsidiaries  
23 and affiliates, and its officers, directors, employees, agents, vendors, consultants, representatives or  
24 other persons acting on its behalf.

25 RELATING and RELATE mean a reference to any given subject that constitutes, contains,  
26 embodies, reflects, identifies, states, refers to, or is in any way relevant to that given subject.

Page 3 - INVESTIGATIVE SUPOENA (ORS 166.730)

OREGON RACKETEER INFLUENCED AND CORRUPTION ACT

DEPARTMENT OF JUSTICE  
1162 Court St. NE  
Salem, OR 97310  
Phone: (503) 947-4333

1 RELEVANT TIME PERIOD is January 1, 1999 to December 31, 2001.

2 "SEVENTEEN (17) DAYS OF TRANSACTIONS" refer to:

3 April 6, 2000, April 15, 2000, April 16, 2000, April 23, 2000, April 26/2000, May 1, 2000,  
4 May 2, 2000, May 3, 2000, May 4, 2000, May 5, 2000, May 9, 2000, May 10, 2000, May 11,  
5 2000, May 12, 2000, May 15, 2000, May 32, 2000, and June 6, 2000.

6 TRADER (S) means the company or corporate entity that trades electricity in the wholesale  
7 market, its parent, subsidiaries and affiliates and its officers, directors, employees, agents, vendors,  
8 consultants, representatives or other persons acting on its behalf.

9 "TRANSCRIPT OF SCHEDULER TELEPHONE CONVERSATIONS" means the  
10 transcripts of PGE Energy Traders produced to FERC in Docket Nos. EL02-114-00 and PA02-2-  
11 000.

12 "WESTERN ELECTRICITY MARKET" means the market operating in the U.S. portion  
13 of the Western Electricity coordinating Council (WECC) aka the Western Systems coordinating  
14 Council (WSCC).

15 "YOU," "YOUR," and "YOUR COMPANY" means Portland General Electric Company  
16 and its divisions, units, subsidiaries whether or not wholly owned, any merged, consolidated or  
17 acquired predecessors and the present and former officers, directors, agents, representatives or  
18 employees of any of the foregoing.

19 The singular includes the plural, and the plural includes the singular.

**INSTRUCTIONS**

1. The relevant time period for which documents and information are requested is January 1, 1999 to December 31, 2001.

2. In each instance in which a document is produced in response to a request, the current edition should be produced together with all earlier editions, or predecessor documents serving the same function during the relevant time period, even though the title of earlier documents may differ from current versions.

3. The document request calls for all described documents in your possession, custody or control without regard to the person or persons by whom or for whom the documents were prepared (e.g., your company employees, distributors or dealers, competitors, or others).

4. Counsel for your company and the State of Oregon may enter into an agreement to modify the scope and timelines for production, or suspend the timelines for document production, under this investigative subpoena.

5. The following procedures shall apply to the production, inspection and copying of documents:

- a. The producing parties shall produce original, complete documents. Documents shall be produced in the order that the documents are maintained in the producing party's files, in original folders, with the folder's original file tabs. The documents should be clipped, stapled or otherwise arranged or attached in the same form and manner as that in which they were maintained and stored. In lieu of producing original documents in their original folders, you and your company may produce duplicates of the originals if such duplicates are identical in all respects to the original and the duplicates are accompanied by a sworn statement from a representative of your company that the duplicates are

Page 5 - INVESTIGATIVE SUPOENA (ORS 166.730)

OREGON RACKETEER INFLUENCED AND CORRUPTION ACT

DEPARTMENT OF JUSTICE

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Page 5

1 identical copies of the originals and satisfy the test for admissibility under FRE  
2 1003.

3 b. All attachments to responsive documents shall be produced as attachments to  
4 the responsive documents.

5 c. Submit all non-privileged portions of any responsive document, noting where  
6 redactions in the document have been made. No portion of any documents will  
7 be masked and the entire document shall be produced.

8 d. You and your company shall label each group of responses to the  
9 interrogatories and document requests in the following manner: Response to  
10 Interrogatory Number 1; Response to Interrogatory No. 2; Response to  
11 Document Request No. 1, etc., and attach the label to the corresponding  
12 documents or interrogatory responses.

13 e. You and your company will provide a key to all abbreviations used in the  
14 documents produced pursuant to this investigative demand. The key will be  
15 attached to the appropriate documents.

16 f. When your response requires identification of document(s) that exist and relate  
17 to an information request, such responses shall include a description of the  
18 general nature of the documents relating to the response.

19 6. If you contend that the answer to any interrogatory or a response to any document  
20 request is privileged in whole or in part, or otherwise object to any interrogatory, document  
21 request, or parts thereof, please state the reasons for such objections or grounds for exclusion with  
22 respect to each part of the interrogatory or document request and identify each person having  
23 knowledge of the factual basis, if any, on which the privilege or other ground is asserted. If you  
24 contend that an interrogatory or document request is unclear or ambiguous, state the basis for such  
25 contention in detail. The purpose of this instruction is to facilitate judicial review of any refusal to  
26 answer the interrogatories or documents requests fully and completely.

Page 6 – INVESTIGATIVE SUPOENA (ORS 166.730)

OREGON RACKETEER INFLUENCED AND CORRUPTION ACT

DEPARTMENT OF JUSTICE  
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1 7. The interrogatory responses shall be accompanied by a statement under oath of the  
2 person(s) providing the answers to the interrogatories stating the information contained in the  
3 responses to these interrogatories is true and correct to the best of his/her information and belief.

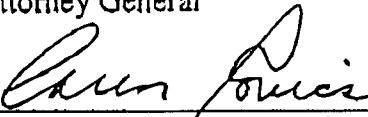
4  
5 **AUTHORITY**

6 This subpoena may be enforced as provided in ORS 166.730(3).  
7

8 **NOTICE:** Pursuant to ORS 166.730, should you fail to appear, produce the records, or  
9 answer the interrogatories on December 1, 2003, as required by this investigative subpoena, the  
10 Oregon Department of Justice will request a court order as soon thereafter as possible  
11 mandating your appearance and such other relief as allowed in ORS 166.730(3).  
12

13 Dated this 6 day of November, 2003.  
14  
15

16 **HARDY MYERS**  
17 **Attorney General**

18   
19 Caren Rovics, OSB #90149  
20 Assistant Attorney General  
Financial Fraud/Consumer Protection Section

21 **REFER INQUIRIES TO:**

22 Caren Rovics, Assistant Attorney General  
23 Oregon Department of Justice, Financial Fraud/Consumer Protection Section  
1162 Court Street NE, Salem, OR 97301  
24 Phone: (503) 947-4333; Fax: (503)378-5017  
25  
26

## INVESTIGATIVE SUBPOENA

## EXHIBIT A

INTERROGATORIES

NOTE: Where applicable we would prefer to receive your responses in an electronic, searchable format.

1. Identify all PGE employees who worked in "Power Operations-Real Time" (Energy Trader) involved in trading electricity, during the relevant period of time

ANSWER:

2. Identify all PGE employees who worked in "Control Area Operations" (Transmission Scheduler), involved in scheduling electricity, during the relevant period of time.

ANSWER:

3. Identify the Energy Trader(s) who participated in real-time transaction(s) during the "17 days of transactions."

a. Indicate the date(s) that the identified Energy Trader participated in 17 days of transactions.

ANSWER:

4. Identify the Transmission Schedulers who were involved in the scheduling of the "17 days of transactions."

a. Indicate the date(s) that the identified Transmission Scheduler participated in a power transaction.

1 ANSWER:

2  
3  
4 5. Identify all PGE employees, including managers, who knew of the meeting, or subject  
5 of the meeting, on or about March or April, 2000, of Bill Casey (Casey) and Diana Scholtes  
6 (Scholtes) in which Death Star transactions were discussed.

7 ANSWER:

8  
9  
10 6. Identify all PGE employees, including managers, who participated or had knowledge  
11 of the decision accept the Scoltes' power transactions proposal subject of the Casey-Scholtes  
12 meeting in March or April, 2000.

13  
14 7. Identify all documents relating to the decision by PGE to agree to power transactions  
15 discussed in the Casey-Scholtes meeting on or about March or April, 2000.

16 ANSWER:

17  
18  
19  
20 8. Identify and explain "Account No. 740768" as used in the PGE "Transcripts of  
21 Scheduler Telephone Conversations" produced by PGE in FERC Docket No. EL02-114-000.

22 a) Explain why the "740468" was used for PGE Death Star power transactions  
23 involving Bonneville Power Administration (BPA) transmission during the "17 days of  
24 transactions".  
25  
26

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AND CORRUPT ORGANIZATION ACT

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Exhibit 2

Page 9

1 ANSWER:

2  
3  
4 9. Identify all documents that refer to power transactions in Account No. 740768 for the  
5 period January 1, 1999 to December 31, 2001.

6 a) Identify the ID numbers of the PGE Energy Trader and Transmission Scheduler  
7 and corresponding names assigned to those ID number for Account No. 74076 transactions.  
8

9 ANSWER:

10  
11  
12 10. Identify all PGE employees, including managers, who knew of the August 2, 1999  
13 "Power Transactions" memorandum from John Maas, LeBoeuf, Lamb, Greene & MacRae, LLP,  
14 (LeBoeuf) between August 2, 1999 and June 30, 2000.  
15

16 ANSWER:

17  
18 11. Identify all PGE employees, including managers, who participated or had knowledge  
19 of the decision to reject the "Power Transactions" explained in the LeBoeuf August 2, 1999  
20 memorandum.  
21

22 ANSWER:

23  
24 12. Identify all documents relating to PGE's decision for rejecting the "Power  
25 Transactions" explained in the August 2, 1999 "LeBoeuf" memorandum.  
26

1 ANSWER:

2  
3 13. State the compensation/salary paid to the following PGE employees for the years  
4 1997, 1998, 1999, 2000 and 2001:

- 5 a) Bill Casey;  
6 b) Marilyn Huntsinger;  
7 c) Mary Turina.  
8

9 ANSWER:

10  
11 14. State the amount of bonus compensation paid to the following PGE employees  
12 for the years 1997, 1998, 1999, 2000 and 2001:

- 13 a) Bill Casey;  
14 b) Marilyn Huntsinger;  
15 c) Mary Turina.  
16

17 ANSWER:

18  
19  
20 15. Identify all job position(s), job description(s) and time period(s) these former PGE  
21 employees held while employed by PGE.

- 22 a) Diana Scholtes;  
23 b) Tim Belden;  
24 c) John Forney.  
25  
26

1 ANSWER:

2  
3 16. State the dollar amount and percent of PGE wholesale revenues derived from  
4 energy trades with Enron Power Marketing, Inc. (EPMI) for the years 1998, 1999, 2000 and  
5 2001.

6 ANSWER:

7  
8  
9 17. State the dollar amount and percent of PGE wholesale revenues derived from energy  
10 trades with energy Marketers, other than, EPMI for the years 1998, 1999, 2000 and 2001.

11 ANSWER:

12  
13 18. Identify all PGE employees, including managers, responsible for retention, archiving  
14 or purging of PGE electronic mail (e-mail) between January 1, 1999 and December 31, 2001.

15 ANSWER:

16  
17  
18 19. Identify all documents related to e-mail retention policy/procedure between January  
19 1, 1999 and December 31, 2001.

20 ANSWER:

21  
22  
23 20. Identify all PGE employees, including managers, responsible for recording or  
24 backing up PGE Energy Trader and Transmission Schedulers telephone lines, between January  
25 1, 1999 and December 31, 2001.

26  
Page 12 - INVESTIGATIVE SUBPOENA (ORS 166.730) OREGON RACKETEER INFLUENCED  
AND CORRUPT ORGANIZATION ACT

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1 ANSWER:

2  
3 21. Identify all documents related to recording, back-up or recording over of Energy  
4 Traders and Transmission Schedulers telephone lines between January 1, 1999 and August 30,  
5 2001.

6 ANSWER:

7  
8  
9 22. Identify all PGE employees, including managers, responsible for posting  
10 information on the Open Access Same-time Information System (OASIS) for "power marketing  
11 affiliate" transactions between January 1, 1999 and December 31, 2001.

12 ANSWER:

13  
14 23. Identify documents related to all PGE procedures and policies related to posting  
15 information on OASIS with a "power marketing affiliate" between January 1, 1999 and  
16 December 31, 2001.

17 ANSWER:

18  
19  
20 24. Identify PGE employees, including managers, who were responsible for conducting  
21 training related to posting information on OASIS for a "power marketing affiliate" transaction.

22 a) Identify all dates of training by PGE related to "power marketing affiliate"  
23 transactions.

24 b) Identify all documents used in the training of PGE employees, including  
25 managers, related to "power marketing affiliate" transactions.  
26

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AND CORRUPT ORGANIZATION ACT

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2 13

c) Identify all PGE employees, including managers, who attended any training

related to "power marketing affiliate" transactions and dates of attendance.

ANSWER:

25. Identify person(s) responsible for posting with OASIS "power marketing affiliate" transactions for the "17 days of transactions."

ANSWER:

26. Identify all documents related to posting on OASIS "power marketing affiliate" transactions for the "17 days of transactions."

ANSWER:



## INVESTIGATIVE SUBPOENA

## EXHIBIT B

DOCUMENTS TO BE PRODUCED

NOTE: Where applicable we would prefer to receive your responses in an electronic, searchable format.

1. Produce all documents disclosed by PGE related to Federal Energy Regulatory Commission (FERC) Docket No. EL02-114-000. Include documents, and all portions of the document, subject to Presiding Administrative Law Judge Jeffie J. Massey's Protective Order dated September 6, 2002.

a) Including, but not limited, to PGE Responses and Exhibits 1 through 44.

2. Produce the sworn testimony, obtained in FERC Docket No. EL02-114-000, including portions subject to the FERC "Protective Order," for the following deponents.

- a) Bill Casey
- b) Mark Boesch
- c) Joe Taylor
- d) Terry Findley
- e) Floyd Mullet
- f) Bob Frost
- g) Steve Sundet
- h) Judy Madsen

3. Produce all documents of OASIS postings for all "power marketing affiliate" transactions with EMPI for the period January 1, 1999 to December 31, 2001.

1 4. Produce all documents identified in your response to interrogatory No. 7.

2 5. Produce all documents identified in your response to interrogatory No. 9.

3 6. Produce all documents identified in your response to interrogatory No. 12.

4 7. Produce all documents identified in your response to interrogatory No. 21.

5 8. Produce all documents identified in your response to interrogatory No. 23.

6 9. Produce all documents identified in your response to interrogatory No. 24(b).

7 10. Produce all documents identified in your response to interrogatory No. 26.

8 11. Produce all documents, including e-mail and telephone records, related to PGE  
9 policy or procedure where PGE enters into a energy contract or energy agreement with a "power  
10 marketing affiliate."

11 12. Produce all documents that refer to the Casey-Scholtes meeting at PGE in March or  
12 April of 2000 where the "Death Star" transactions were discussed.

13 12. Produce all Power Scheduling and Accounting System (PSAS) records for all real-  
14 time transactions for power and transmission where EMPI was a counterparty for the period  
15 January 1, 2000 to December 31, 2001.

16 a) Produce all documents that identify the "user" according to their user ID  
17 number.

18 14. Produce all documents relating to the conclusion by PGE that 1,290 postings on its web  
19 page for sales and purchases between PGE and EPMI were contrary to the PGE's Market Based  
20 Rate Tariff.

21 15. Produce OASIS postings for all "Death Star" energy transactions with EPMI in the "17  
22 days of transactions."

23 16. Produce all PGE Real-Time Energy Trader telephone calls related to the trading of  
24  
25  
26

1 power for the following dates:

2 2000

3 a) January 2000: 1/10/2000 and 1/13/2000

4 b) February 2000: 2/7/2000, 2/8/2000 and 2/28/2000

5 c) March 2000: 3/6/2000

6 d) April 2000: 4/3/2000, 4/17/2000, 4/19/2000, 4/20/2000 and 4/24/2000

7 e) May 2000: 5/23/2000, 5/17/2000 and 5/23/2000

8 f) June 2000: 6/17/200

9 g) July 2000: 7/19/2000

10 h) August 2000: 8/18/2000

11 i) September 2000: 9/5/2000, 9/6/2000, 9/8/2000, 9/9/2000, 9/11/200, 9/12/2000,

12 9/14/2000, 9/23/2000, and 9/29/2000

13 j) November 2000: 11/13/2000, 11/16/2000, 11/18/2000, 11/23/2000, and 11/24/2000

14 k) December 2000: 12/30/2000

15 2001

16 l) January 2001: 1/7/2001 and 1/21/2001

17 m) March 2001: 3/31/2002

18 n) May 2001: 5/21/2001, 5/22/2001, 5/23/2001 and 5/24/2001

19 o) June 2001: 6/9/2001

20 17. Produce all e-mails from or to Bill Casey and Tim Belden for the period January 1,  
21 1999 and December 31, 2001.

22 18. Produce all e-mails from or to Bill Casey and John Forney for the period January 1,  
23 1999 and December 31, 2001.

24 19. Produce all e-mails from or to Bill Casey and Diana Scholtes for the period January  
25 1, 1999 and December 31, 2001.

26 20. Produce all e-mails from Bill Casey to "POW NOW" for the period January 1, 1999

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AND CORRUPT ORGANIZATION ACT

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17

1 to December 31, 2001.

2 21. Produce all e-mails from or to Bill Casey to Marlene Huntsinger for the period  
3 January 1, 1999 to December 31, 2001.

4 22. Produce all e-mails from or to Marlene Huntsinger and Tim Belden for the period  
5 January 1, 1999 and December 31, 2001.

6 23. Produce all e-mails from or to Marlene Huntsinger and John Forney for the period  
7 January 1, 1999 and December 31, 2001.

8 24. Produce all e-mails from or to Marlene Huntsinger and Diana Scholtes for the period  
9 January 1, 1999 and December 31, 2001.

10 25. Produce all e-mails from or to Mary Turina and Tim Belden for the period January  
11 1, 1999 and December 31, 2001.

12 26. Produce all e-mails from or to Mary Turina and John Forney for the period January  
13 1, 1999 and December 31, 2001.

14 27. Produce all e-mails from or to Mary Turina and Diana Scholtes for the period  
15 January 1, 1999 and December 31, 2001.

16 28. Produce all cell phone records for PGE issued cell phone for Bill Casey for the  
17 period 1, 1999 to December 31, 2001.

18 a) Cell phone records should include all telephone numbers called.

19 29. Produce all documents identified by PGE Energy Trader Mark Boesch in the April 26,  
20 2000 "Transcript of Scheduler Telephone Conversation," as "Memo Account."

21 30. Produce all documents referred to by PGE Energy Trader Terry Finley in the May 4,  
22 2000 "Transcript of Scheduler Telephone Conversation, including but not limited to, a "sheet" in a  
23 "3-ring binder" on how to do transactions with "these accounts."

24 31. Produce the "Memo" referred to by PGE Energy Trader Mitch Hawks in the May 5,  
25 2000 "Transcript of Scheduler Telephone Conversation" produced in FERC Docket No.

26 EL-02-114-000. Memo begins: "To Water Power when Enron calls and wants a buy-resell at

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2 18

## DEPARTMENT OF JUSTICE

## STATE OF OREGON

IN THE MATTER OF:

## AFFIDAVIT OF SERVICE

THE PORTLAND GENERAL ELECTRIC  
COMPANYCIVIL RACKETEER INFLUENCED AND  
CORRUPT ORGANIZATION ACT  
INVESTIGATION

STATE OF OREGON )

County of Marion )

) ss.

I certify that on the 7th day of November, 2003, at the hour of 09:30 hrs, I  
served David A. Aamodt, Registered Agent, for Portland General Electric Co., with a true copy  
of the attached Civil Investigative Subpoena by:

\_\_\_ Personal Service (Personally and in Person)

X Office Service (left with the person apparently in charge during normal working hours)

To: Portland General Electric Company, c/o David A. Aamodt, Registered Agent

At: 121 S.W. Salmon Street, Portland, OR 97204.

I am a competent person over the age of 18 years, a resident of said State, and am  
authorized as a non-attorney employee of the Oregon Department of Justice to serve this  
document pursuant to ORS 180.260.

Served by:

Address:

Telephone:

Robert J. Culley

1162 Court St. NE

Salem, OR 97301

(503) 378-4732

Robert J. Culley  
Signature of serverSUBSCRIBED AND SWORN to before me this 12th day of November, 2003.

OFFICIAL SEAL

GAY M STENDER

NOTARY PUBLIC-OREGON

COMMISSION NO. 329667

MY COMMISSION EXPIRES DEC. 08, 2003

Gay M. Stender  
Notary Public for Oregon (affix stamp)

Page 1 - IN THE MATTER OF PORTLAND GENERAL ELECTRIC COMPANY (CIVIL  
RACKETEER INFLUENCE AND CORRUPT ORGANIZATION ACT)

CJR/cjr/CEDF2450.DOC

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9  
10 IN THE CIRCUIT COURT OF THE STATE OF OREGON  
11 FOR MULTNOMAH COUNTY

12 STATE OF OREGON, ex rel HARDY MYERS,  
Attorney General for the State of Oregon,

13 Plaintiff,

14 v.

15 PORTLAND GENERAL ELECTRIC  
16 COMPANY,

17 Defendant.

Case No. **0312-13173**

ORDER TO SHOW CAUSE FOR  
COMPLIANCE FOR FAILURE TO OBEY  
CIVIL INVESTIGATIVE DEMAND AND  
INVESTIGATIVE SUBPOENA SHOULD  
NOT BE GRANTED (ORS 646.626; ORS  
166.730)

18 THIS MATTER comes before the court on plaintiff State of Oregon's Motion for Order  
19 to Show Cause to compel compliance for Failure to Obey Civil Investigative Demand and  
20 Investigative Subpoena. Upon proper application to the Multnomah Circuit Court, where the  
21 person or enterprise resides, is found or transacts business. The court has reviewed the Motion  
22 and attached affidavits and exhibits. The court finds that defendant has received notice pursuant  
23 to ORS 626.626 and ORS 166.730(3), and that this is a proper case for entering a show cause  
24 order. Therefore,

25 Page 1 - ORDER TO SHOW CAUSE WHY APPLICATION FOR COMPLIANCE FOR  
26 FAILURE TO OBEY CIVIL INVESTIGATIVE DEMAND AND INVESTIGATIVE  
SUBPOENA SHOULD NOT BE GRANTED  
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**CERTIFICATE OF SERVICE**

I hereby certify that I served the foregoing **NOTICE OF REMOVAL** on:

Hardy Myers, Attorney General  
Caren Rovics, Assistant Attorney General  
Stephen K. Bushong, Assistant Attorney General  
Oregon Department of Justice  
1162 Court Street, N.E.  
Salem, OR 97301

☒ by mailing a copy thereof in a sealed, first-class postage prepaid envelope, addressed to each attorney's last-known address and depositing in the U.S. mail at Portland, Oregon on the date set forth below;

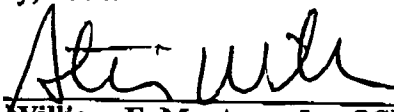
☐ by causing a copy thereof to be hand-delivered to said attorneys at each attorney's last-known office address on the date set forth below;

☐ by sending a copy thereof via overnight courier in a sealed, prepaid envelope, addressed to each attorney's last-known address on the date set forth below; or

☐ by faxing a copy thereof to each attorney at each attorney's last-known facsimile number on the date set forth below.

DATED this 8th day of January, 2004.

By

  
\_\_\_\_\_  
**William F. Martson, Jr., OSB #72163**

Direct Dial: (503) 802-2005

Direct Fax: (503) 972-3705

E-Mail: rick@tonkon.com

**Steven M. Wilker, OSB # 91188**

Direct Dial: (503) 802-2040

Direct Fax: (503) 972-3740

E-Mail: steven@tonkon.com

**Paul W. Conable, OSB #97536**

Direct Dial: (503) 802-2188

Direct Fax: (503) 972-3888

E-Mail: paul@tonkon.com

Of Attorneys for Plaintiff  
Portland General Electric Company